

# FINAL BILL REPORT

## E2SHB 2418

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### PARTIAL VETO

C 349 L 06

Synopsis as Enacted

**Brief Description:** Increasing the availability of affordable housing.

**Sponsors:** By House Committee on Capital Budget (originally sponsored by Representatives Springer, Miloscia, Chase, Morrell, Hasegawa, Darneille, Santos, P. Sullivan, Kagi, Green, Sells, Ormsby and O'Brien).

**House Committee on Housing**

**House Committee on Capital Budget**

**Senate Committee on Financial Institutions, Housing & Consumer Protection**

**Senate Committee on Ways & Means**

#### **Background:**

##### Housing Trust Fund

The State of Washington distributes funding for housing programs through the Department of Community and Economic Development's (DCTED) Housing Trust Fund. Housing projects must serve low-income and special needs populations. Grants and loans are awarded on a competitive basis.

The 2005-2007 budget includes a total appropriation of \$100 million for the Housing Trust Fund. Of this amount, \$33 million is designated for specific set-asides.

According to the DCTED, housing projects representing requests for over \$45 million in Housing Trust Fund assistance are currently deemed eligible and await the availability of funding. These projects represent the potential development of approximately 2,300 units of affordable housing.

##### Joint Housing Authorities

A joint housing authority is authorized when the legislative authorities of one or more counties and the legislative authorities of any city or cities within any of those counties, or in another county or counties, have authorized such joint housing authority by ordinance. The ordinance must prescribe the number of commissioners, the method for their appointment and length of their terms, the election of officers, and the method for removal of commissioners. The ordinance must also prescribe the allocation of all costs of the joint housing authority.

There is no process or guidelines in statute for the dissolution of joint housing authorities.

#### **Summary:**

The Legislature may authorize a transfer of up to \$25 million from the General Fund into the Washington Housing Trust Fund for the fiscal year ending June 30, 2006.

Any appropriated funding will be included in the calculation of annual funds available to the DCTED for determining administrative costs.

Funds will be distributed using the DCTED's competitive process for the Housing Trust Fund except for the following:

- any funds applied to the Homeless Family Services Fund;
- any funds appropriated to weatherization administered through the Energy Matchmakers Program;
- any funds appropriated for a housing voucher program; and
- any funds for grower-provided on-farm housing.

The DCTED must report annually by December 31, 2007, to the House Housing Committee and the Senate Financial Institutions, Housing and Consumer Protection Committee on how funds were utilized on a county or city specific basis.

#### Interagency Council on Homelessness

The Interagency Council on Homelessness (IACH) is created which will be made up of policy level representatives from five state agencies. The IACH will work to create greater levels of interagency coordination regarding programs serving homeless households, identify policies that may contribute to homelessness, and recommend policies to improve practices or align resources related to homelessness.

#### Washington Homeless Client Management System

The DCTED is required to implement the Washington Homeless Client Management System by December 31, 2009. The system will include information from the Washington homeless census, from state agencies, and from organizations providing services to the homeless population. Information will be collected in a manner consistent with federal informed consent guidelines regarding human research. The information system is to serve as an on-line information and referral system.

Local governments must develop a capacity for continuous case management to assist homeless persons.

#### Low-Income Housing Waiting-List Study

The DCTED is directed to conduct a study by December 31, 2007, to evaluate the potential development of a low-income housing waiting list database.

#### Affordable Housing Database

The DCTED is required to create or purchase and implement a database which includes information on all publicly supported affordable rental units in the state by December 31, 2009.

#### Housing Stakeholder Feedback

Entities receiving state housing funds, or financing through the Housing Finance Commission, are asked to provide feedback to the Legislature regarding planning and reporting requirements, as well as other housing-related legislative recommendations.

Joint Housing Authority Dissolution

Joint Housing Authorities may be dissolved pursuant to substantially identical resolutions or ordinances of the legislative authority of each of the counties or cities that previously authorized that joint housing authority. Assets, obligations, and liabilities shall be distributed consistent with specific considerations outlined in statute.

Null and Void

Implementation of the activities of the act is contingent upon specific funding for the specific activities of the act from the General Fund.

**Votes on Final Passage:**

House	72	24	
Senate	48	1	(Senate amended)
House	74	24	(House concurred)

**Effective:** June 7, 2006

**Partial Veto Summary:** The section requiring the Department of Community, Trade, and Economic Development (DCTED) to conduct a study to evaluate the potential development of a low-income housing waiting list database was vetoed. The section requiring DCTED to create or purchase a master affordable housing database that includes information about affordable rental housing stock was also vetoed. The null and void clause was vetoed.